

To: Gary Jackson, City Manager
Jeff Richardson, Assistant City Manager

From: Robert Griffin, Building Safety Director

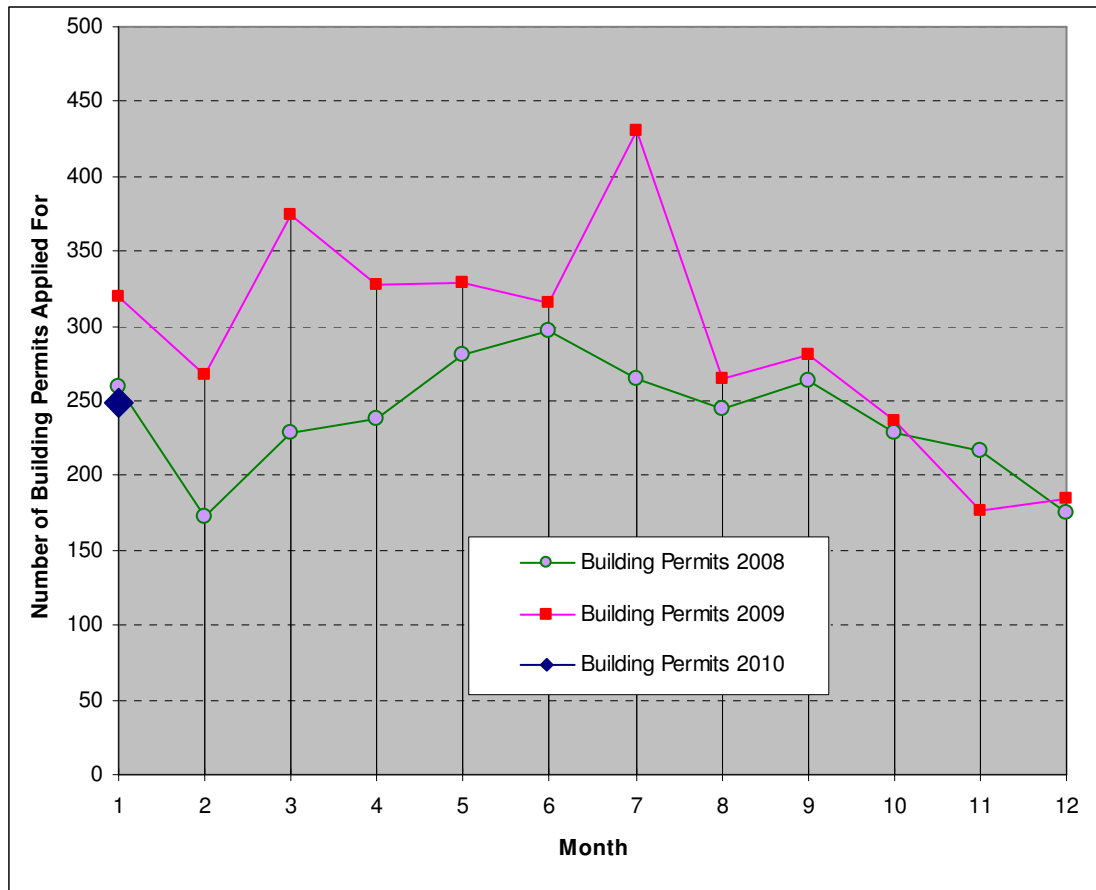
Date: 18 February 2010

Subject: January 2010 Permit Activity

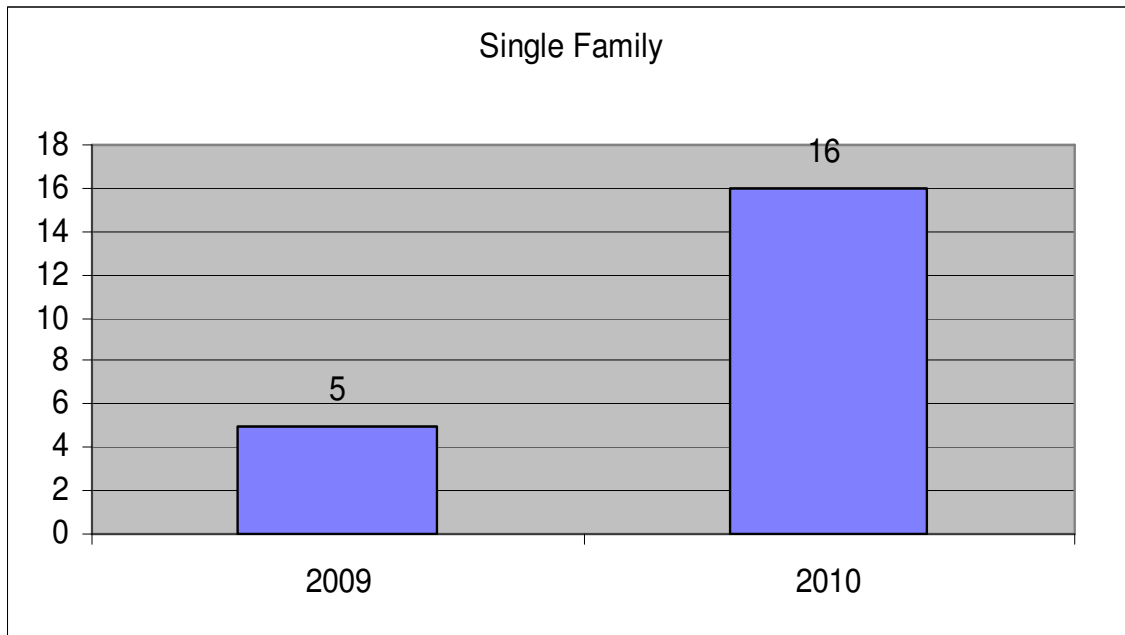
January indicators for permits issued indicate a continuing positive trend. The number of issued permits increased as did the value of construction. The number of issued permits is slightly skewed with 24 permits issued for fire sprinkler system repairs due to freezing and bursting during the January cold weather. The number of applications received in January were down 12 applications (4.6%) as compared to 2009 and down 72 applications (22.5%) compared to 2008. New single family homes increased from the previous year for the fourth straight month. Single family home remodels and additions and commercial remodels, renovations, and additions have experienced much higher permit activity.

Our revenue for the 7 months of fiscal year 2010 is down 13.3% or approximately \$205,400 for the year. This does not include the \$391,895 received from the demolition of the motel property in a prior year. Permit value is the bases for all commercial applications. One and two-family permits are a fixed permit fee based on square feet of construction. Permit facilitators and plan review personnel review each commercial application construction value. Remodels, renovations, and up-fits of existing commercial space require the plan review personnel to compare scope of work with cost estimates when the cost does not appear to match the work. New construction value must equal or exceed the International Code Council cost estimates for our region and these estimates are published quarterly. While one and two-family home construction has experienced a major decline in the past year, our revenue is more closely aligned with new commercial and multi-family construction. New commercial construction experienced a 70% decline in permits issued and the overall value fell by \$51,021,283. This decline for the seven months of fiscal year 2010, had it not occurred, would have equated to much more than our current 13.3% revenue shortfall. A large percentage of the new commercial during the 2009 fiscal year was associated with Biltmore Town Center. This project is still active but all new buildings are permitted and we are now permitting smaller projects for new occupancies within the buildings.

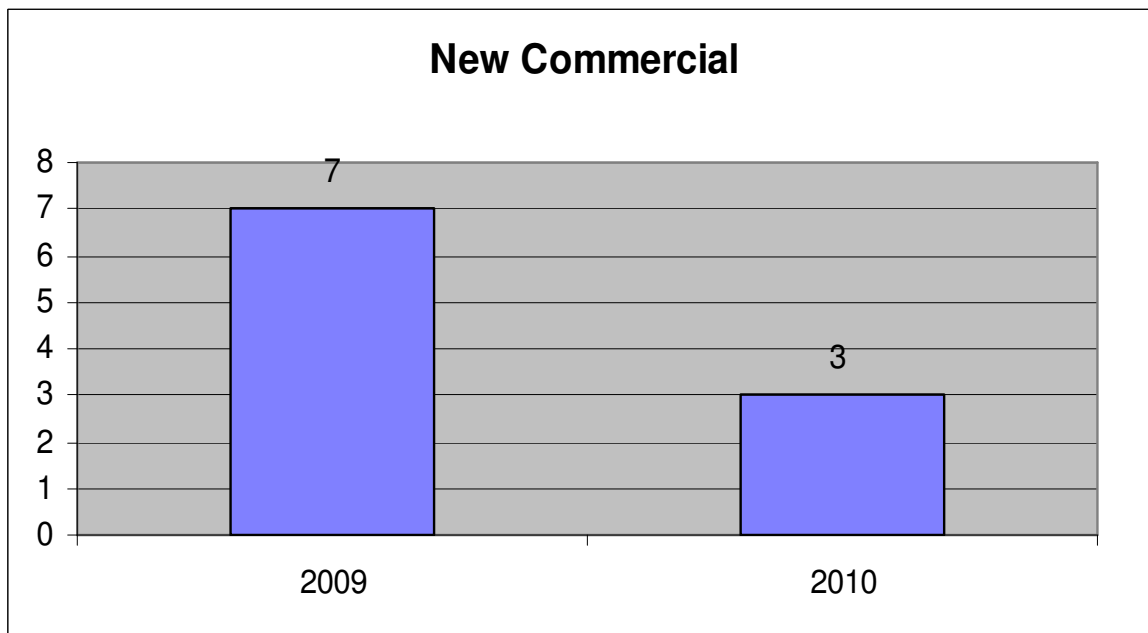
Applications received were 4.6% less than 2009 and 22.5% less than 2008.



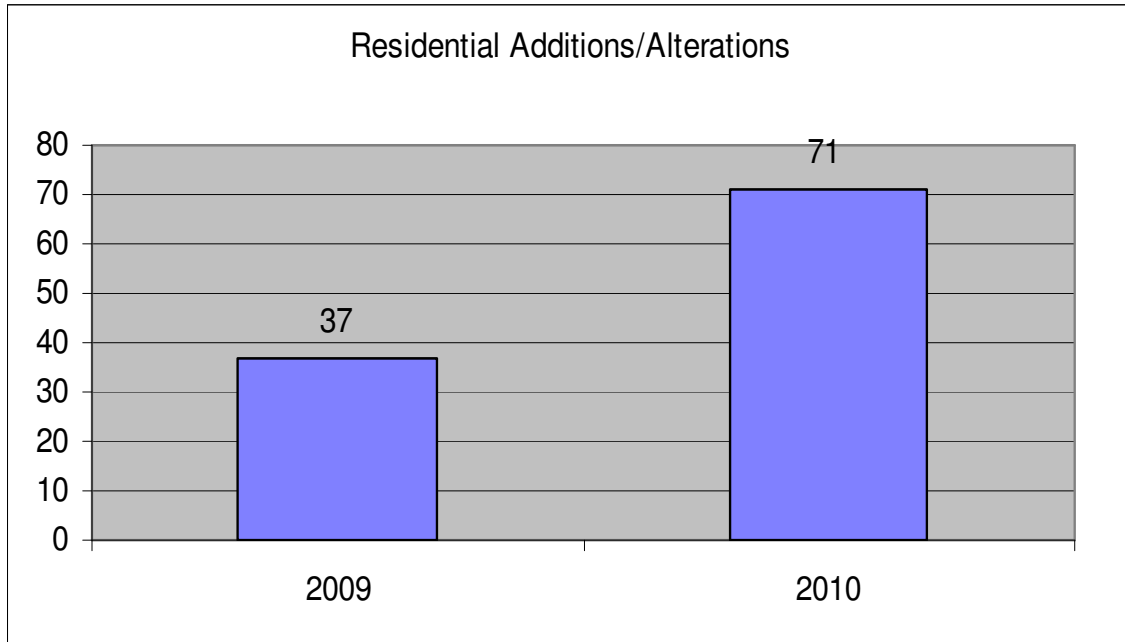
One and two-family home permits increased for a fourth consecutive month. The average value of each home decreased from \$179,500 to \$160,556.



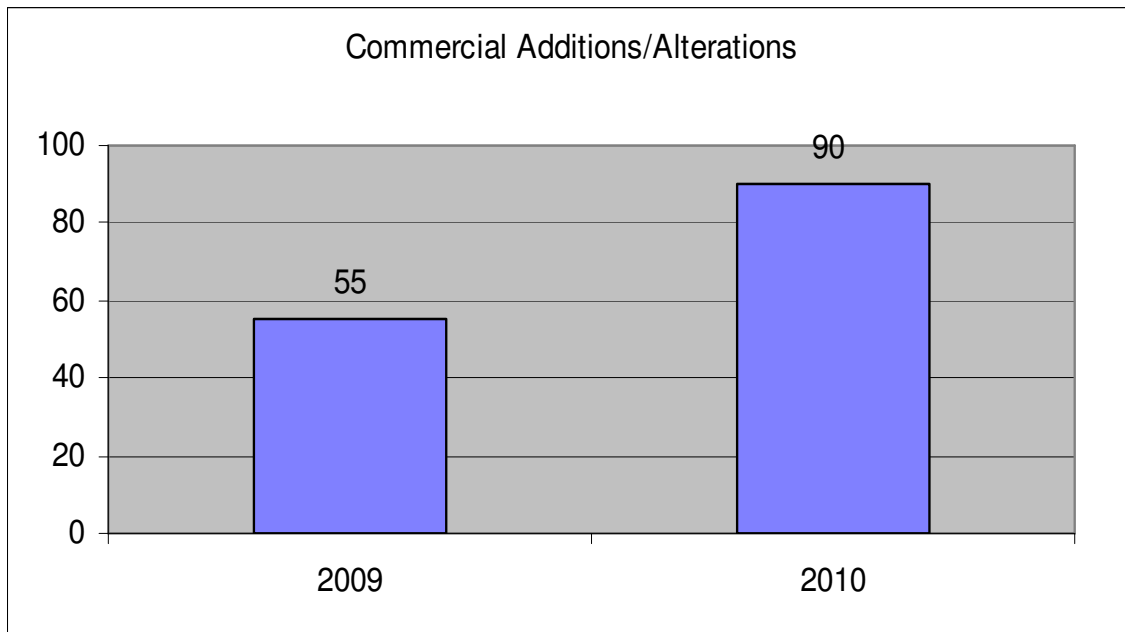
New commercial permits were down this month. The average value of a new commercial permit decreased by 68.93% from fiscal year 2009 to an average value of \$153,667 in 2010.



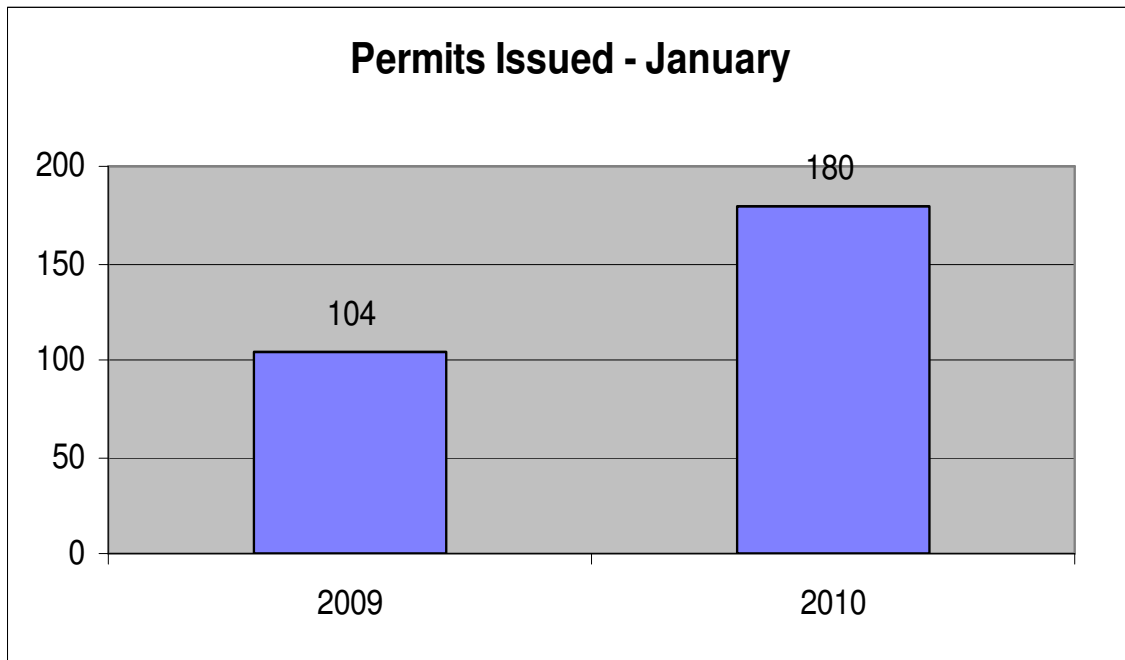
One and two-family additions and alterations have been very dependable. January permits continued that trend with a 91.89% increase over the previous year.



As in previous months, commercial additions and alterations have seen good activity. These permits increased by 63.6% and the average value per project increased by 140.9%.



Total permits issued increased by 76 permits or 73%, however, 24 or 31.6% of the increase is associated with burst fire sprinkler system repairs.



The total value of all permits increased by \$4,075,920 or 61.25%.

